

## **IN THE CLAIMS**

Please amend claims as follows.

For the Examiner's convenience, all pending claims are included below.

1. (Currently Amended) A computer-implemented method of conducting an auction in at least two rounds, comprising:

creating a rule for a second auction round based on user input, the rule limiting participation of bidders in the second auction round based on an occurrence in a first auction round;

conducting the first auction round having a first set of bidders;

determining participation of bidders from the first set of bidders in the second auction round, in accordance with an application of the rule to the occurrence in the first auction round; and

conducting the second auction round based on the determined participation ~~in accordance with an application of the rule to the occurrence in the first auction round.~~

2. (Original) The method of claim 1, wherein the occurrence includes an outcome of the first auction round.

3. (Currently Amended) A computer-implemented method of conducting an auction in at least two rounds, wherein at least two bidders bid in the auction, comprising:

creating a rule for a second auction round based on user input, the rule limiting participation of bidders in the second auction round based on an occurrence in a first auction round;

conducting the first auction round having a first set of bidders;

determining an outcome of the first auction round;

determining participation of bidders from the first set of bidders in the second auction round in accordance with an application of ~~applying~~ the rule to the outcome of the first auction round; and

conducting a the second auction round based on the determined participation in ~~accordance with the applied rule.~~

4. (Original) The method of claim 3, wherein the rule includes selecting at least two leading bidders from the first auction round.

5. (Original) The method of claim 4, wherein the rule includes permitting only the at least two leading bidders to participate in the second auction round.

6. (Original) The method of claim 3, wherein the rule includes selecting a winning bidder from the first auction round.

7. (Original) The method of claim 6, wherein the rule includes not permitting the winning bidder to participate in the second auction round.

8. (Original) The method of claim 3, wherein said forming a rule for a second auction round precedes conducting said first auction round.

9. (Original) The method of claim 3, wherein the bidders are electronically coupled to an auction coordinator during the conducting of the first and second auction rounds.

10. (Original) The method of claim 9, wherein the bidders submit bids to the auction coordinator online during the conducting of the first and second auction rounds.

11. (Original) The method of claim 3, wherein the auction is a reverse auction.
12. (Original) The method of claim 3, wherein the auction is a forward auction.
13. (Original) The method of claim 3, wherein the bidders participate in a sealed bid in the first auction round and are electronically coupled to an auction coordinator online during the second auction round.
14. (Original) The method of claim 3, wherein the rule includes permitting only bidders bidding less than a predetermined amount to participate in the second auction round.
15. (Previously Presented) A computer-implemented method of conducting an auction in at least two rounds, comprising:
- determining that a bidder may participate in a second auction round if that bidder has not been awarded a contract in a first auction round;
  - conducting the first auction round;
  - awarding a contract to a bidder in the first auction round; and
  - conducting the second auction round including only bidders that were not awarded a contract in the first auction round.
16. (Original) The method of claim 15, further comprising soliciting potential bidders.
17. (Original) The method of claim 16, wherein soliciting potential bidders includes:
- preparing a request for quotation;
  - providing the request for quotation to potential bidders; and

requesting that potential bidders respond to the request for quotation.

18. (Original) The method of claim 17, wherein said request for quotation includes an identification of goods to be purchased.

19. (Original) The method of claim 17, wherein said request for quotation includes an identification of services to be purchased.

20. (Original) The method of claim 15, further comprising:

awarding a contract to a bidder in the second auction round; and  
conducting a third auction including only bidders that were not awarded a contract in the first auction round and bidders that were not awarded a contract in the second auction round.

21. (Previously Presented) A computer-implemented method of conducting an auction in at least two rounds, comprising:

determining that a bidder may participate in a second auction round if the bidder is a leading bidder in a first auction round;  
conducting the first auction round which includes a plurality of bidders;  
designating one or more of the plurality of bidders as non-leading bidders in accordance with the conducting of the first auction round; and  
conducting the second auction round that excludes the non-leading bidders from the first auction round.

22. (Original) The method of claim 21, further comprising conducting a third auction round including only leading bidders in the first round auction.

23. (Original) The method of claim 21, further comprising conducting a third auction round including only leading bidders in the second round auction.

24. (Original) The method of claim 21, wherein a plurality of bidders may participate in a subsequent auction round.

25. (Currently Amended) A system for conducting an auction in rounds, comprising:

a sponsor processor;

a first bidder processor communicating with said sponsor processor; and

a second bidder processor communicating with said sponsor processor;

wherein said sponsor processor contains instructions which, when executed by said processor, cause said processor to:

conduct a first auction round having a first set of bidders;

apply a rule to an occurrence in the first auction round, the rule limiting participation of bidders in a second auction round based on the occurrence in the first auction round;

determining participation of bidders from the first set of bidders in the second auction round, in accordance with an application of the rule to the occurrence in the first auction round; and

conduct the second auction round based on the determined participation in accordance with the applied rule.

26. (Original) The system of claim 25, wherein said first bidder processor and said second bidder processor communicate through an auction coordinator during the first and second auction rounds.

27. (Original) The system of claim 25, wherein said first bidder processor and said second bidder processor communicate through the Internet during the first and second auction rounds.

28. (Currently Amended) A computer readable medium having stored thereon instructions which, when executed by a processor, cause the processor to:

conduct a first auction round having a first set of bidders;

apply a rule to an occurrence in the first auction round, the rule limiting participation of bidders in a second auction round based on the occurrence in the first auction round;

determining participation of bidders from the first set of bidders in the second auction round, in accordance with an application of the rule to the occurrence in the first auction round; and

conduct the second auction round based on the determined participation in  
~~accordance with the applied rule.~~

29. (Currently Amended) A bidding device operated by a bidder during an online auction, said bidding device comprising software that enables the bidder to submit bids to a sponsor processor during a first auction round;

wherein the sponsor processor applies a rule to an occurrence in the first auction round, the rule limiting participation of bidders in a second auction round based on the occurrence in the first auction round; and

wherein the bidding device is selectively enabled to determine participation of the bidder in the second auction round in accordance with an application of the rule to

the occurrence in the first auction round, and to allow the bidder to submit bids to the sponsor processor in the second auction round based on the determined participation in ~~accordance with the applied rule.~~

30. (Original) The bidding device of claim 29, wherein the bidding device is enabled to allow the bidder to submit bids to the sponsor processor in the second auction round only if the bidder has not been awarded a contract in the first auction round.